

First-Time Homebuyer Tax Credit

Available through the Mortgage Credit Certificate Program
MCC (with First Mortgage)



Program Description

The Mortgage Credit Certificate (MCC) Program with First Mortgage combines a Minnesota Housing first mortgage loan with a tax credit. This program description is a summary of program requirements and does not contain all the information needed to originate Minnesota Housing loans. Lenders should refer to the Minnesota Housing [Mortgage Credit Certificate Program Procedural Manual](#) and the underlying product descriptions for complete information.

PARAMETERS	REQUIREMENTS		
Borrower MCC Fee	Waived		
First-Time Homebuyer	Yes, all borrowers		
Eligible Use	Purchase		
Eligible Products	<ul style="list-style-type: none"> FHA FHA 203(k) Streamlined VA 	<ul style="list-style-type: none"> RD Conventional HFA Preferred™ Conventional HFA Preferred Risk Sharing™* 	<i>*See product description for additional requirements</i>
Eligible Occupancy	Owner-occupied		
Minimum Credit Score/ Debt-to-Income Ratio (DTI)	640 / 45% maximum		
	660 / 50% maximum		
Income Limits	Area	1-2-Person Household	3-Person+ Household
	11-County Metro	\$82,900	\$95,335
	Rochester MSA	\$81,300	\$93,495
	Balance of State	\$73,900	\$84,985
Income Calculation	Minnesota Housing Eligibility Income calculation		
Acquisition Cost Limit	<ul style="list-style-type: none"> 11-County Metro - \$310,000 Balance of State - \$265,000 		
Amortization	15- or 30-year term		
Interest Rates	Posted on www.mnhousing.gov		
MCC Credit Rate	35%		
MCC Credit Carry-Forward	Excess credit may be carried forward for up to three subsequent tax years		
Downpayment and Closing Cost Loans	<ul style="list-style-type: none"> Minnesota Housing Monthly Payment Loan Community Seconds® 		
Eligible Property Types	<ul style="list-style-type: none"> 1- to 2-unit dwellings Condos and townhomes Defer to underlying product guidelines for condo, PUD, community land trust (CLT) and manufactured home requirements 		
Minimum Borrower Contribution	Lesser of \$1,000 or 1% of the purchase price if receiving a Minnesota Housing Monthly Payment Loan		

First-Time Homebuyer Tax Credit

*Available through the Mortgage Credit Certificate Program
with First Mortgage*



Maximum LTV/CLTV	Defer to underlying product guidelines
Homebuyer Education	Required of at least one borrower receiving a: <ul style="list-style-type: none">• Conventional loan, and/or• Minnesota Housing downpayment and closing cost loan
Mortgage Insurance	Defer to underlying product guidelines
Minimum or Maximum Reserve Requirements	Defer to underlying product guidelines